

Helping People in Need

Creating market economies and establishing democracy offer the people of Central and Eastern Europe and Eurasia the best long-term hope for higher living standards and a better quality of life. In the short and medium term, however, the weight of change has taken a heavy toll on social services and benefits and caused unemployment and poverty to rise. At the same time, the region has been torn by armed conflicts, causing complex emergencies in the former Yugoslavia and its neighbors, as well as in Armenia, Georgia, Azerbaijan and Tajikistan.

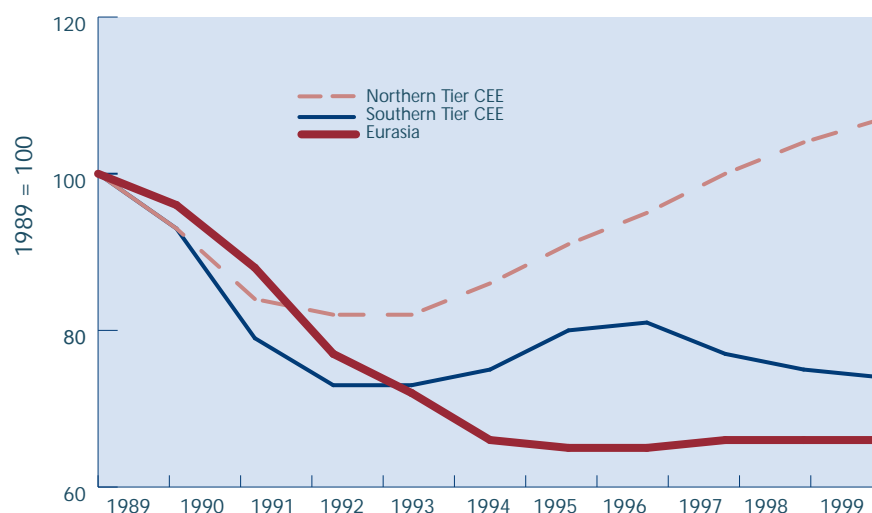
Health, education, and social protection systems—of mediocre quality and largely bankrupt even in 1989—have continued to deteriorate as governments in the region balance competing demands on tight budgetary resources. The transition from a state-controlled system based on broad consumer subsidies to a market economy has resulted in economic and social pain. Inadequate social services and benefits have emerged as serious issues. Only the Northern Tier countries have recovered and exceeded the standards of living in place at the end of the 1980s, although some of their population groups remain vulnerable without some form of help. Many citizens in Southern Tier and Eurasia countries continue to suffer as living standards remain below 1989 levels as a result of incomplete reform.

USAID has been a leader, both in responding to crises and in establishing social programs that make a lasting difference. USAID has worked closely with international donors to meet the region's emergency needs for food, shelter, fuel and medical supplies. A range of cooperating organizations have laid the foundation for in-depth solutions to the region's social problems, by helping groups and communities develop the skills, resources and expertise needed to address these challenges. USAID also has worked with governments to improve the policy and institutional structure for social services. Through this work U.S. assistance has demonstrated ways to improve the quality and availability of health care while cutting costs; put in place improved systems to fight infectious disease; and worked to restructure social benefits.

USAID Programs

- *Humanitarian Assistance*
- *Health*
- *Social Safety Net*

Recovery of Living Standards in Europe and Eurasia



Note: Living standards as measured by an index of real GDP, where 1989 GDP = 100.
Source: EBRD, Transition Report (1999).

FROM CRISIS TO RECOVERY

The region's social problems were compounded and intensified by the many conflicts and natural disasters that took place during the 1990s. Particularly hard hit were the nations in the Caucasus, as well as those that were part of or bordered on pre-1989 Yugoslavia, where people suffered from ethnic violence, economic collapse and the breakdown of social welfare, education, health and public safety institutions. USAID coordinated with other U.S. agencies, private relief organizations and other developed nations to provide the massive assistance needed not only to respond to crises, but also to help people in the region get back on their feet. Humanitarian assistance is a twofold approach to helping people. First, basic supplies of food, shelter, fuel and medical supplies are provided to stabilize emergency situations. Second, community-based, self-help projects lay the foundation for economic recovery, democracy, and improved social welfare. Since 1992, USAID has helped millions of people in the region survive crises and reconstruct normal lives.



Delivery of Humanitarian assistance packages for Kosovar refugees staying at camps in Albania and Montenegro.

USAID Humanitarian Assistance in Kosovo

- Food and temporary shelter for refugees during the conflict
- Emergency health care
- Clean water and sanitation for conflict-affected population
- Shelter kits to winterize one-fourth of all seriously damaged, repairable homes
- Agriculture support to help farmers start producing again
- Grants to rebuild communities
- Partnerships to jump-start a market economy and lay the foundations for democracy

In all, 1.3 million refugees and internally displaced persons have been reintegrated. Soon after the conflict ended, Kosovars were moving beyond emergency response to achieving normalcy and building an economic and political system that affords increased choices and opportunities.

A Bridge in Bosnia

Parents in the Bosnian villages of Završje and Zagorica are breathing a sigh of relief since USAID reconstructed the bridge that connects the two villages with the main road to nearby towns. “The children who must cross the bridge to catch the school bus on the main road can do so without the fear of falling into the river,” says Rada Lijesnica, a mother of two. The bridge was so badly damaged by heavy fighting during the war in Bosnia that vehicles could not use it. Pedestrians, including Ms. Lijesnica’s children and other students, had to inch their way across on narrow, wobbly wooden planks. Završje is a primarily Croat village, while Zagorica is home to Croats, Serbs and Muslim Bosnians. Most of the families in the area left during the war, but many have returned. The bridge is helping village life return to normal.

Helping the Victims of Violence

Following an outbreak of violence in Khojand, Tajikistan, Diloram Atabaeva, the manager of the local NGO Support Center assisted by USAID grantee Counterpart International, organized 20 NGOs into a coalition to aid people displaced by the fighting. Within two months, the coalition provided assistance to children and the elderly. The NGO group also organized a celebration to lift community spirits and demonstrate broad-based support for those most affected by the violence. Today, the Khojand NGO Support Center continues to strengthen the community’s NGO network through training, consultations, and information dissemination.

TV Promotes Tolerance in Macedonia

As the bombs started in Kosovo, the first production meeting was taking place in Macedonia on a children’s television show designed to reduce ethnic hatred, the source of many of the region’s humanitarian crises. The Kosovo conflict didn’t slow the production, and the weekly program, *Nashe Maalo* “Our Neighborhood”, went on the air in October 1999. *Nashe Maalo* is a collaboration of USAID-funded organizations, Search for Common Ground and the Children’s Television Workshop (CTW), and other donors, that worked closely with Macedonian writers and producers. The show is aimed at children, aged

Throughout the decade, more than 18 percent of USAID resources in the region have been used to provide humanitarian assistance.

7 to 12 in multiethnic societies, and is currently telecast in Macedonian, with a soundtrack dubbed in Albanian, Turkish and Roma. Each edition features stories of cooperation and understanding among children of diverse ethnic and religious groups. Viewership is high, with one survey of 1,200 children showing that 85 percent watched it.



Victims of civil war in Tajikistan care for each other in a local hospital.

BETTER HEALTH CARE

Faced with economic crises at the beginning of the decade, virtually all governments in the region cut back on national budgets for health. These reduced resources have caused the continued deterioration of mediocre systems. With the collapse of healthcare, epidemics have increased and health indicators related to infant and child mortality and life expectancy have worsened in many instances. USAID has helped countries cope with these conditions. Pilot programs and U.S. health partnerships have helped local health-care providers learn the latest techniques, solve problems in innovative and cost-effective ways, and put scientific research into practice, saving lives and improving the quality of life throughout the region.

USAID-funded vaccinations of more than 500,000 children in Central Asia have prevented epidemics of measles and other childhood diseases.

Saving Children in Chelyabinsk

The letter to the staff of City Pediatric Hospital No. 8 in Chelyabinsk, Russia, was short and heartfelt: “The greatest thanks to all medical personnel of the resuscitation department for saving the life of my little son, Alosha. It is wonderful that such departments exist where the

lives of children can be saved, and where children can receive such qualified help and care.... You give life to children and happiness to their parents. Thank you!”

Alosha was born with complications that required intensive care in a little town 170 kilometers from the hospital. Thanks to a partnership between the Russian hospital and three facilities in Tacoma, Washington, Alosha received the care he needed. Under a USAID-sponsored program, Tacoma physicians had come to Chelyabinsk to train their counterparts in the best ways to transport, treat and resuscitate at-risk newborns when needed. The Tacoma hospital also donated five pulseoximeters (portable devices to measure and control the bloods oxygen content) to their Russian counterparts, more than doubling the number available to the city’s health-care workers. On the night Alosha came into the world, Chelyabinsk doctors used their new skills and the donated equipment to ensure the little boy lived.

Improved Reproductive Health

During the Soviet era, women in Eurasia routinely used abortion to control the size of their families, often at risk to the mother’s life. Since 1991, USAID-funded programs have promoted access to and knowledge about modern contraceptive methods through mass media campaigns, changes in medical curricula, new



Young women of the former Yugoslavia write a plan of action for women’s health during a training session.

training programs for health-care providers and health education for young people.

- In Central Asia, use of modern contraceptives increased 20 percent. Rates of induced abortion declined by 27 percent in Kazakhstan and 50 percent in Uzbekistan and Kyrgyzstan.
- In Russia, USAID has extended modern family planning information and services to more than four million women. Annual abortion rates in USAID-assisted areas dropped more than 11 percent, while remaining constant at control sites.

Through the American International Health Alliance, USAID has supported more than 80 U. S. health partnerships with the region. The U.S. partners—physicians, nurses, administrators and technical personnel from more than 25 states—donate their time, effort, needed supplies and equipment. Volunteer hours and donations add up to nearly \$3 for every \$1 invested by USAID.

Health Care with a Human Face

Like other Central Asian countries, Kyrgyzstan inherited a health-care system that relied heavily on costly in-patient hospital care at specialized facilities. Through USAID's effort, the emphasis shifted from treating patients after illness strikes to primary preventive care through networks of Family Group Practices. As part of this transition, more than 1,500 specialized physicians were retrained as family physicians, and their clinical skills were upgraded.

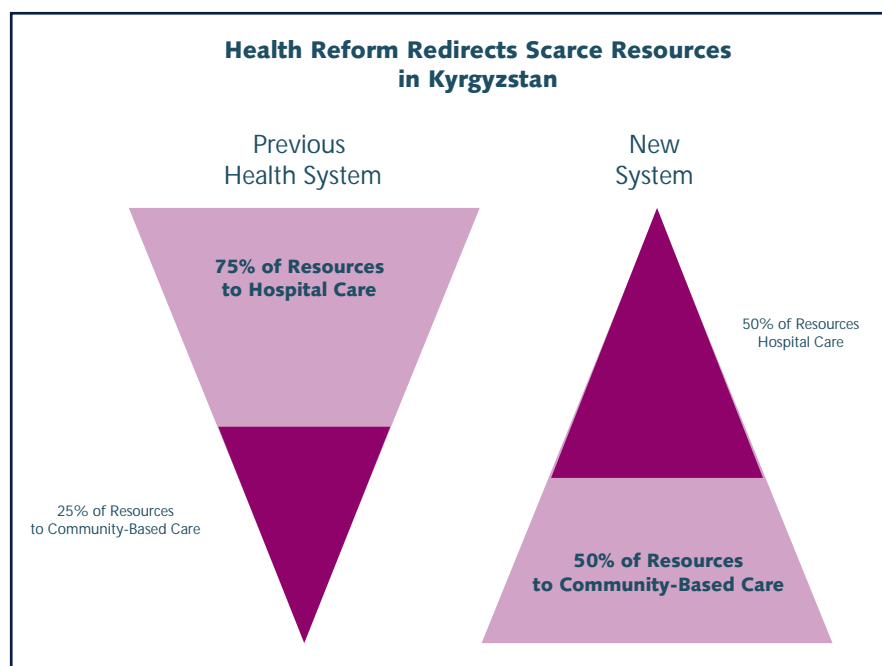
One of them, Dr. Makenbaeva, used to work as an obstetrician providing a narrow range of care to a limited group of patients. She became a member of a family group practice, treating everyone from babies to grandparents. "The idea of family medicine was brought to us by life itself," she says. "We would see fathers and children with their wives and mothers. It was unfortunate, because they could not receive care, since we were limited to caring for women only." Care by family physicians has resulted in earlier diagnoses and treatment of common conditions. In October 1999, First Lady Hillary Rodham Clinton presented an award to the Kyrgyz health reformers for their achievements.

More than 700 family group practices in Central Asia are reaching over 2.6 million people as a result of USAID activities in community-based, primary health care.



Harriett Destler, USAID

A family physician treats both mother and child at a community-based, primary health care facility in Kyrgyzstan.



RESTRUCTURING SOCIAL BENEFITS

A hallmark of the old socialist system was the provision of a basic level of social protection to all its citizens, including universal subsidies for housing, utilities, and social services, and income after retirement, irrespective of need. By 1989, central and local governments could no longer afford to subsidize populations to the same degree as before. During the past decade, USAID has worked with several countries to improve pension system design, financing, and administration and to meet the near-term needs of people through the development of targeted subsidy programs.

Pension Reform in Kazakhstan

In 1996, five years after independence, Kazakhstan was in trouble. Its old, inefficient Soviet pay-as-you-go pension system was bankrupt. USAID's Pension Reform Project sent a Kazakh team to Chile to study the Chilean private pension system model. The team concluded that privatizing Kazakhstan's pension system could spark the development of capital markets and spur the development of private life insurance products, such as annuities, to pay private pensions. Kazakhstan put a new pension system in place in 1998. Workers now contribute 10 percent of their wages to a private pension fund of their choice. This fund, through an asset management company, invests the contributions to build savings for retirement.

As a result of the reform, the pension system is functioning well, and all pensioners are receiving their monthly payments on time. Moreover, the new private pension system accumulated \$650 million in assets, which has been used to purchase corporate bonds. These bonds, in turn, enable Kazakh businesses to raise the capital they need to expand and modernize.

Targeted Subsidies in Ukraine

Early in the decade, the Ukrainian Government recognized that it had



Older woman in Georgia benefits from the Winter Heating Assistance Program which targets single pensioners, living alone.

to take a close look at government spending levels and begin to tackle the issue of universal subsidies. In close coordination with local governments, Ukraine initiated a policy which introduced the recovery of real costs for housing and utilities while also protecting the neediest. Universal subsidies for communal services were replaced with financial assistance targeted to help the poor. USAID provided technical expertise to help the municipalities conduct income surveys and objectively determine cut-off points for government aid. Three months after enactment of the

enabling legislation, the national housing subsidy program opened 750 offices across the country. As many families started to pay for housing and related services, those in the low income brackets received subsidies. By 1999, over four million families were being helped with targeted subsidies and the government was realizing a net budget savings of \$1.2 billion. The success of this program demonstrated that economic reform could be compatible with social protection and laid the groundwork for other targeted social assistance programs in the region.

ASSISTING THE MOST VULNERABLE

Hubert Humphrey once said that a society may be judged by the way it treats its most vulnerable citizens. During the 1990s, children throughout the region—especially orphans and those with special needs—bore a heavy burden from the collapse of the countries' economies and social safety nets. Women and the elderly were also vulnerable, as were ethnic and religious minorities. Throughout the decade, USAID has worked with governments and NGOs to assist those who needed help the most.

"Thanks to participation in USAID projects, we took our first steps towards changing the lives of people with handicaps and assisting their integration into society."

—Michaela Frycova,
Director of the Czech
Republic's Foundation
for the Integration of the
Mentally Handicapped

educational institutions to be incapable of learning have done poetry readings; and previously isolated aggressive youth learned to work as a team. BelAPDI YP has also encouraged the government to change key social policies, allowing disabled young people to attend state summer camps and physically disabled youth to attend state secondary schools.

New Hope for Romania's 'Orphans'

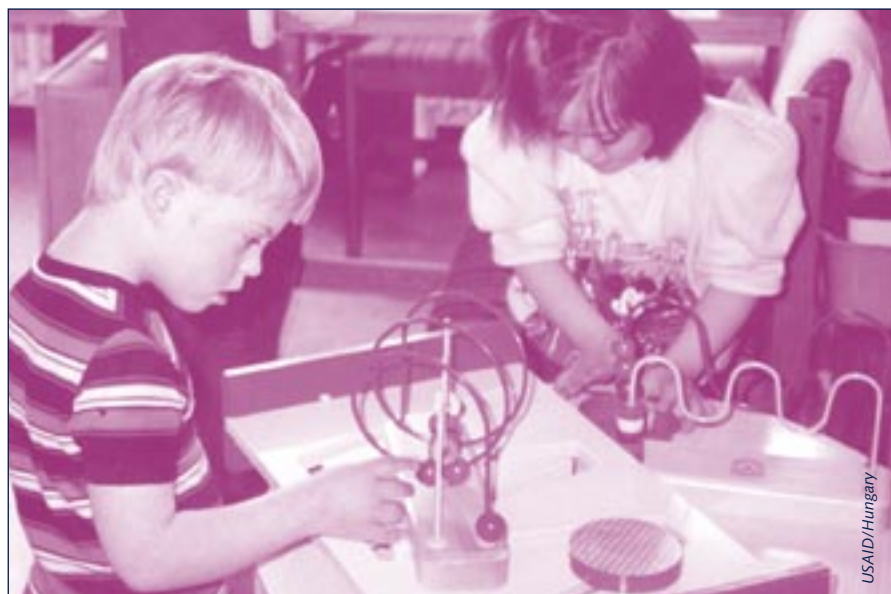
One of the most serious challenges facing Romania's newly established democracy in the early 1990s was child welfare; more than 100,000 children lived in deplorable conditions in state-run institutions. This was a well-known fact when Ana, a 20-year-old Romanian woman, learned she was about to become

a single mother. Having grown up in an orphanage, Ana wasn't sure where to go. She had no family to help her and she couldn't go back to the orphanage. Finally, Ana did find help at the Maternal Center in Cluj, run by USAID-supported World Vision International.

The Maternal Center is a shelter for new mothers who are at risk of abandoning their children. It has two main goals: to help the mother feel responsible for her child's care and to strengthen the bond between mother and child. The Center is part of a larger USAID effort focused on keeping children out of institutions by addressing child welfare issues at the community level. The staff at the Maternal Center in Cluj gave Ana a place to stay and parenting skills to use with her new born child. Best of all, they gave her hope for the future.

Help for Disabled Youth in Belarus

In 1991, Ludmila Veko, the mother of a mentally retarded child, started the Belarusian Association of Assistance to Handicapped Children and Young People (BelAPDI YP) to help mentally and physically disabled children and youth. With the help of USAID-supported Counterpart International, BelAPDI YP expanded its work to include 57 chapters in all six regions of Belarus. The organization provides activities for disabled youth and support for their parents, and has been responsible for many success stories. A young man once branded unfit for work by the state learned to compose his own music; children once considered by state



American toys help children with Down's Syndrome develop coordination of small motor movements.

USAID/Hungary

Advancing Gender and Youth Issues

- A USAID Central Asia study found that for general health needs, men go to hospitals (expensive) and women to local clinics (less costly). Wanting to expand access to more cost-effective health care, primary health clinics are creating outreach programs focused on men, which in turn should reduce overall health care costs.
- Drawing on World Bank research, USAID is developing special programs in Kyrgyzstan to meet the needs of young, unemployed, rural males. Seeing no hope for the future, these young men have been driven toward anti-social behaviors such as crime and drug trafficking.
- Alienated youth are a rich recruiting ground for extremist groups. In Uzbekistan—where 57 percent of the population is under 25 years of age—USAID targets youth in its efforts to promote a democratic culture. USAID bolsters youth participation and activism through civic education, student associations, neighborhood cleanups and healthy lifestyle campaigns.

Bringing Domestic Violence out of the Shadows

Thanks to USAID's help, Russian television is shining a spotlight on a dark subject: domestic violence. USAID helped sponsor a series of grants for national television programs that added coverage of domestic violence to existing programming. One of the grant winners, Russian Public Television, devoted a popular program to the work of women's crisis centers around the country. The television show had an immediate effect. Natalia Sereda, director of the Women's Alliance Crisis Center in the town of Barnaul, reported that the local govern-

ment organized a special domestic violence awareness campaign, complete with public service announcements and radio jingles. The local legislature stepped up funding for abused women, and the local government agencies started coordinating more closely with the crisis center. "From our perspective," Ms. Sereda said, "it is very important to support similar projects all over Russia for the purpose of attracting attention to the problem of domestic violence in general and supporting the activities of regional crisis centers in particular."



Counterpart International

NGOs teach vocational and craft skills to young men in Central Asia, helping them earn a living.

Filling a Critical Gap

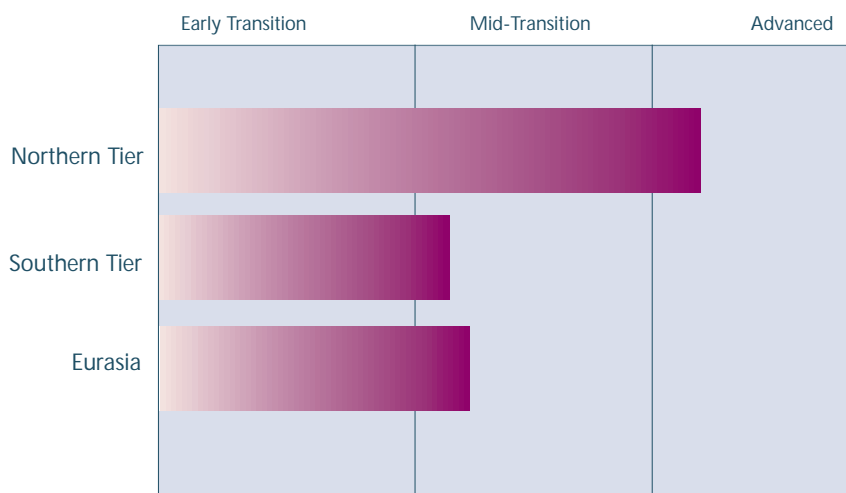
Local NGOs make a real difference in their communities. Across the region groups are forming to respond to the needs and priorities of their constituents. Increasingly, these organizations are emerging as the "third sector" -- working with government and private business to solve problems, share and distribute information, and deliver services to vulnerable groups. Their involvement in social issues also creates an advocacy base for future reforms.

The types of social services provided by NGOs range widely, including homeless shelters, soup kitchens, health and nutrition support, substance abuse rehabilitation, legal protection, and basic skills training. They help mobilize resources to improve schools, playgrounds and community centers.

With assistance from USAID-funded grantees, indigenous NGOs are deepening their roots in their communities and becoming more entrepreneurial. They are learning to broaden their base of resources to include domestic public sources, domestic private philanthropic sources, and earned income from economic activities. The work of these voluntary organizations in the social sectors serves not only the people who need it the most, but strengthens the fabric of civil society for everyone.

NGOs Help Provide Social Services

Increasingly, NGOs are developing the capacity to fill a critical social service gap left by underfunded local governments.



Source: The 1999 Sustainability index.

Lasting Service

Project Hope began its life in the Czech Republic with USAID financing. The program focused on finding ways to improve the health of infants, children and women by helping local health facilities and professionals do a better job of providing services. From 1991 to 1993, USAID funds helped Project Hope support nursing education, cancer screening for women, and health-care management. In Prague, for example, Project Hope supplied training and equipment for breast and cervical cancer

treatments. In Brno, the program opened a clinical unit that served as a model for patient management and practice. But the goal was always to make Project Hope a long-lasting program that could sustain itself, without USAID. That goal was achieved by 1994. Project Hope found other sources of funds, including donations from private corporations. In February, 1996, the program won the congratulations of President Havel for its lasting contribution to the well-being of Czech infants, children, and women.